(c) whether Government will review the vast authority given to SCICI to have a free hand on its lending activities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY: (a) SCICI has reported that while shipping and fishing industry remain the focus areas of its operations, the company has diversified its lending activities to all sectors of the economy with a view to diversify its risks and build up a healthy portfolio. It monitors lending in various sectors and ensures that the exposure to each sector is within prudential norms.

(b) SCICI has reported that over the years it has built up adequate expertise in appraising, financing and monitoring small, medium and large projects in various sectors.

(c) SCICI is governed by policies as decided by its Board of Directors from time to time. Insofar as loans granted by erstwhile Shipping Development Fund Committee are concerned, SCICI acts as an agent (designated person) of Government for recovery/administration of portfolio.

Rotating of Nominee Directors of IFCI

2274. SHRI S. AUSTIN: Will the Minister of FINANCE be pleased to state:

(a) whether Government will consider rotating nominee Directors of IFCI who have become controversial while serving on various private Boards;

(b) whether Government have any guidelines in this regard to have clean administration; and

(c) the steps proposed to ensure that nominee Directors maintain highest efficiency and probity?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) The financial insitutions (FIs) such as the Industrial Finance Corporation of India Ltd. (IFCI) themselves review the performance of their nominee directors and also take appropriate action wherever necessary.

(b) and (c): FIs have evolved guidelines in respect of nominee directors appointed by them on the Boards of assisted companies. These guidelines also take into account instructions issued on the subject by Government from time to time. The nominee directors are expected to act in the best interest of the company and also safeguard the interest of the FI concerned. If a FI is not satisfied with the performance of a nominee director, it can withdraw his nomination from the Board of the company concerned.

Agencies dealing with exchange of Soiled Currency Notes

2275. SHRI K.M. KHAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has authorised some individuals and certain agencies of country to deal with exchange of soiled and torn currency notes and to provide coins of different denominations;

(b) if so, the names of such individuals/agencies, State and Territory-wise with their complete addresses;

(c) whether some formalities have been prescribed for appointing such individuals and agencies by the Reserve Bank of India;

(d) if so, the details thereof with functions of such individuals/agencies and commission charged by them for their each service;

(e) whether Government propose to appoint such individual/agencies in other cities in future; and

(f) if so, the names and cities identified for the purpose and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY: (a) No, Sir.

(b) to (f) Do not arise.

Banks Exchanging Soiled Currency Notes

2276. SHRI K.M. KHAN: Will the Minister of FINANCE be pleased to state:

(a) whether certain banks in Public Sector have set up special counters in different branches of country to exchange soiled and torn currency notes and to privide coins of different denominations on demand of people;